Schedule 13

Funding Request for the FY 2017-18 Budget Cycle

Department of Health Care Policy and Financing

Request Title

R-10 Regional Center Task Force Recommendation Implementation

Dept. Approval By: Josh Block 11/1/16

OSPB Approval By: 10/28/16

___ Supplemental FY 2016-17

X Change Request FY 2017-18

___ Budget Amendment FY 2017-18

Summary Information	Fund	FY 2016-17 Initial Appropriation	FY 2016-17 Supplemental Request	FY 2017-18 Base Request	FY 2017-18 Change Request	FY 2018-19 Continuation
Total of All Line Items Impacted by Change Request	Total	$78,298,019	$0	$78,828,540	$922,801	$450,890
	FTE	35.5	0.0	35.5	1.8	2.0
	GF	$27,709,858	$0	$28,067,689	$224,066	$225,445
	CF	$2,992,684	$0	$3,053,047	$0	$0
	RF	$1,316,658	$0	$1,321,536	$0	$0
	FF	$46,278,819	$0	$46,386,268	$698,735	$225,445

Line Item Information	Fund	FY 2016-17 Initial Appropriation	FY 2016-17 Supplemental Request	FY 2017-18 Base Request	FY 2017-18 Change Request	FY 2018-19 Continuation
01. Executive Director's Office, (A) General Administration - Health, Life, and Dental	Total	$3,434,070	$0	$3,673,458	$15,854	$15,854
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$1,230,952	$0	$1,316,506	$7,927	$7,927
	CF	$337,577	$0	$349,778	$0	$0
	RF	$104,755	$0	$104,635	$0	$0
	FF	$1,760,786	$0	$1,902,539	$7,927	$7,927
01. Executive Director's Office, (A) General Administration - Short-term Disability	Total	$55,072	$0	$57,991	$234	$254
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$20,569	$0	$21,560	$117	$127
	CF	$4,588	$0	$4,796	$0	$0
	RF	$1,393	$0	$1,365	$0	$0
	FF	$28,522	$0	$30,270	$117	$127

01. Executive Director's Office, (A) General Administration - Amortization Equalization Disbursement	**Total**	**$1,434,489**	**$0**	**$1,613,687**	**$6,144**	**$6,702**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$535,695	$0	$600,009	$3,072	$3,351
	CF	$119,586	$0	$133,459	$0	$0
	RF	$36,269	$0	$37,816	$0	$0
	FF	$742,939	$0	$842,403	$3,072	$3,351
01. Executive Director's Office, (A) General Administration - Supplemental Amortization Equalization Disbursement	**Total**	**$1,419,546**	**$0**	**$1,613,662**	**$6,144**	**$6,702**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$530,115	$0	$600,009	$3,072	$3,351
	CF	$118,340	$0	$133,459	$0	$0
	RF	$35,891	$0	$37,791	$0	$0
	FF	$735,200	$0	$842,403	$3,072	$3,351
01. Executive Director's Office, (C) Information Technology Contracts and Projects - MMIS Maintenance and Projects	**Total**	**$35,564,820**	**$0**	**$35,440,753**	**$593,300**	**$0**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$7,211,028	$0	$7,384,952	$59,330	$0
	CF	$2,226,262	$0	$2,191,808	$0	$0
	RF	$293,350	$0	$293,350	$0	$0
	FF	$25,834,180	$0	$25,570,643	$533,970	$0
04. Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (1) Administrative Costs - Personal Services	**Total**	**$3,063,982**	**$0**	**$3,096,155**	**$137,128**	**$149,590**
	FTE	35.5	0.0	35.5	1.8	2.0
	GF	$1,431,598	$0	$1,439,296	$68,564	$74,795
	CF	$182,080	$0	$187,556	$0	$0
	RF	$75,000	$0	$76,579	$0	$0
	FF	$1,375,304	$0	$1,392,724	$68,564	$74,795
04. Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (1) Administrative Costs - Operating Expenses	**Total**	**$1,070,539**	**$0**	**$1,065,836**	**$11,148**	**$1,900**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$144,899	$0	$144,899	$5,574	$950
	CF	$4,251	$0	$1,900	$0	$0
	RF	$770,000	$0	$770,000	$0	$0
	FF	$151,389	$0	$149,037	$5,574	$950

	Total	**$32,255,501**	**$0**	**$32,266,998**	**$152,849**	**$269,888**
04. Office of Community Living, (A) Division of Intellectual and Developmental Disabilities, (1) Program Costs - Case Management	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$16,605,002	$0	$16,560,458	$76,410	$134,944
	CF	$0	$0	$50,291	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$15,650,499	$0	$15,656,249	$76,439	$134,944

CF Letternote Text Revision Required?	Yes	No	X	**If Yes, see attached fund source detail.**
RF Letternote Text Revision Required?	Yes	No	X	
FF Letternote Text Revision Required?	Yes	No	X	
Requires Legislation?	Yes	No	X	
Type of Request?	Department of Health Care Policy and Financing Prioritized Request			
Interagency Approval or Related Schedule 13s: None				

Cost and FTE

- The Department requests $922,801 total funds, $224,066 General Fund and 1.8 FTE in FY 2017-18, $450,890 total funds, $225,455 General Fund and 2.0 FTE in FY 2018-19, $464,107 total funds, $232,054 General Fund and 2.0 FTE in FY 2019-20 to expand Intensive Case Management (ICM) services to clients transitioning out of an Intermediate Care Facility (ICF) or Regional Center waiver settings while they still live in the ICF or Regional Center setting and to hire two ongoing FTE to project manage the Regional Center Task Force (RCTF) recommendations and to oversee Department activities pertaining to ICFs.

Current Program

- Clients transitioning out of an ICF, who are not enrolled in the Colorado Choice Transitions (CCT) program, are not eligible to receive case management services until they have stopped receiving ICF services. Clients receiving Home and Community Based Services Adult Comprehensive Waiver (HCBS-DD) services from a Regional Center have their case management services capped at 240 units (60 hours) per-year.
- Currently, the Department does not have staff solely dedicated to the implementation of the RCTF recommendations or ICF oversight. These tasks are being divided amongst existing staff.

Problem or Opportunity

- Clients who are transitioning out of ICFs do not qualify for case management services while living in an ICF, meaning that case managers do not have adequate time to assess the transitioning client's needs and preferences pre-transition. Additionally, once a client has transitioned, case managers are limited to 240 units of case management for the year, which makes it difficult to ensure a stable and successful transition. While clients on the HCBS-DD waiver who receive services from a Regional Center have access to case management, the amount available is inadequate to ensure that a client's needs are met during the transition.
- There is an opportunity to improve coordination between departments, ICFs, clients, and stakeholders during the implementation of the RCTF recommendations and regarding ongoing ICF operations by hiring dedicated staff to serve as project managers and reference points in these areas.

Consequences of the Problem

- ICF clients do not have access to case management services, such as assessments of needs and service coordination, until they transition from the ICF. HCBS-DD clients receiving services from a Regional Center have limited case management services per-year, which includes case management while transitioning. These limitations may lead to inadequate post transition support.
- There is no single reference point for RCTF recommendation implementation, leaving the Department vulnerable to implementation delays due to lack of coordination. ICF knowledge is stratified within the Department, limiting the Department's ability to swiftly react to ICF structural and policy changes.

Proposed Solution

- The Department proposes expanding ICM eligibility to clients living in ICFs or clients on the HCBS-DD waiver receiving services from a Regional Center for up to one year after their transition begins. This would ensure that each transitioning client's needs are fully assessed and that a service package is created for the client prior to leaving the ICF, to help the client seamlessly transition to the community.
- The Department requests 1.0 FTE to project manage the RCTF recommendations and 1.0 FTE to oversee ongoing ICF operations.

Department Priority:	***R-10***
Request Detail:	***Regional Center Task Force Recommendation Implementation***

Summary of Incremental Funding Change for FY 2017-18	Total Funds	General Fund
Regional Center Task Force Recomendation Implementation	$922,801	$224,066

Problem or Opportunity:

The Department is currently unable to offer comprehensive case management services to clients transitioning out of Intermediate Care Facilities (ICF) or Regional Center-waiver settings to the community. ICF clients are currently ineligible to receive Targeted Case Management (TCM) services in tandem with ICF services, giving case managers inadequate time to prepare for the client's transition to the community. TCM is currently only available to clients receiving home and community based services (HCBS) who do not reside in institutional settings such as ICFs. HCBS clients enrolled on the Adult Comprehensive waiver (HCBS-DD) receiving services from Regional Centers have access to case management; however, the cap on the service is too restrictive to ensure that case managers have time to fully assess the clients' needs and coordinate with providers to ensure a successful transition. Additionally, the Department has insufficient staff resources to facilitate implementation of the recommendations from the Regional Center Task Force (RCTF), and to effectively oversee the ongoing operations of ICFs. There are currently no specific staff available to manage these complicated systems.

In December 2015, the RCTF, created by HB 14-1338 "Regional Centers Task Force and Utilization Study", published its final recommendations.[1] The recommendations include expansive and comprehensive steps needed to improve Regional Center operations, increase and/or shift funding and eliminate barriers to accessing services so that community providers can effectively serve people with the highest level of needs while insuring optimal client outcomes in terms of choice and service options. As stated in the recommendations, "[the recommendations] represent an ambitious multi-year commitment that would require collaboration between the legislature, various state agencies, community providers, medical professionals, families, advocates, and a host of others".

A summary of the ten RCTF recommendations are as follows:

[1] The Regional Center Task Force Final Recommendations can be found online at this address: http://regionalcentersforum.weebly.com/uploads/2/4/8/8/24880735/hb14-1338_regional_centers_task_force_final_report_12-23-15.pdf

1. Leverage Medicaid waiver redesign efforts already underway pursuant to the requirements of HB 15-1318 “Consolidate Intellectual and Developmental Disabilities Waivers” and explore additional alternatives.
2. Fully include services for individuals with Intellectual and Developmental Disabilities (I/DD) in the capitated mental health system by basing access and reimbursement of services on the presentation of behavioral symptoms, not diagnoses, and require Behavioral Health Organizations to actively recruit and develop provider networks.
3. Develop guidelines, training, and clinical tools for medical, behavioral and mental health providers to deliver effective services for persons with I/DD.
4. Enhance the transition planning process to include additional person-centered elements and improve outcome tracking.
5. Identify, authorize and fund an entity (or entities) to coordinate service delivery for those individuals with I/DD who receive services from multiple systems of care to optimize on-going access to services and provide support during emergencies, transitions and crises.
6. Create contractual agreements with community-based providers across the state that include a no reject/ no eject clause and have the Regional Centers serve as a safety net provider as necessary.
7. Formalize the role of Regional Centers and certain community providers as a statewide crisis stabilization system for individuals with I/DD and certain community providers as a statewide crisis stabilization system for individuals with I/DD and/or co-occurring serious and persistent conditions.
8. Conduct an accurate cost analysis of both community and Regional Center Home and Community Based Services (HCBS) beds related to compliance with the 2014 Centers for Medicare and Medicaid Services (CMS) Final Rule to guide future decisions on the number and location of state-operated HCBS waiver beds. In addition, provide funding and support needed to successfully transition residents, who desire to transition and are deemed ready to transition, to community placements and consolidate these beds as successes allow.
9. Once no-reject/no-eject contracts with community providers are established, implement a fully-funded transition process to place residents, who desire to transition and are deemed ready to transition, in the community, and over time reduce the number of state-run ICF beds as successes allow.
10. Establish an ongoing monitoring, assessment, and reporting structure to ensure that recommendations are implemented and evaluated for impact.

Since the publication of the RCTF recommendations the Department has been meeting monthly with the Colorado Department of Human Services (CDHS) and the Colorado Department of Public Health and Environment (CDPHE) to coordinate implementation of the recommendations. Additionally, the Department hired a contractor to develop an implementation plan for the recommendations which consists of eighty-seven separate major action steps required to implement the recommendations. These tasks have been assigned to individual Department and CDHS staff; however, there is currently no project manager overseeing the combined implementation of the tasks which could cause a lack of coordination, oversight, and synergy as the tasks move forward at the various agencies.

Transition Services

Of the tasks identified as necessary to implement the vision of the RCTF, the Department has identified several that can be accomplished faster and with less resources than the others. One of these is closing the case management gap for clients transitioning from an ICF or Regional Center to the community by leveraging Intensive Case Management (ICM) services similar to that offered under the Colorado Choice Transitions (CCT) program.[2] This task aligns with both recommendation 1 and 4.

TCM and ICM are case management services provided to people with I/DD that include but are not limited to:

- Performance of comprehensive assessments of needs and periodic reassessments of individual needs to determine the need for any medical, educational, social or other services;
- Development and periodic revision of a client care plan;
- Locating, coordinating, and monitoring needed developmental disabilities services;
- Coordinating with other non-developmental disabilities funded services to ensure non-duplication of services; and
- Monitoring the effective and efficient provision of services across multiple funding sources.

TCM is a State Plan service that has a general application to monitoring and coordinating services and resources for HCBS recipients. It is not specific to transition services. In order to successfully transition out of an institution, constant, direct attention is required by case managers to manage transition elements. As a result, the Department created a different benefit in the Colorado Choice Transitions program known as "intensive case management". Although the activities performed by case managers under the TCM and ICM benefits are very similar, the ICM benefit is specific to transition services and reimbursed at a higher rate and in a greater amount in order to emphasize those services that are related to assisting clients transition to a community setting. By having a dedicated benefit for transition services, the Department has been able to successfully transition 166 clients from institutions since the inception of the CCT program through June 30, 2016, something that would not have been possible under the TCM benefit.

The lack of comprehensive transition case management services lends to client and guardian reticence to begin the transition process. Addressing this problem is in line with RCTF recommendation 1.B.4.b. which suggests that the Department "Utilize an intensive case management model and rate to ensure robust service coordination and engagement during and after the transition".

[2] Colorado Choice Transitions is a program authorized under the federal Money Follows the Person initiative, meant to assist clients residing in qualified institutions with exploring their community-based options for long term supports and services; facilitate the transition of clients to a community setting so long as the right services and supports can be arranged in the community to ensure the health, welfare and safety of the client; and provide enhanced services and supports through willing and qualified providers. For more information on CCT, please see the Department's website: https://www.colorado.gov/pacific/hcpf/colorado-choice-transitionshttps://www.colorado.gov/pacific/hcpf/colorado-choice-transitionshttps://www.colorado.gov/pacific/hcpf/colorado-choice-transitionshttps://www.colorado.gov/pacific/hcpf/colorado-choice-transitions

Regional Center Task Force Recommendation Oversight and Coordination

The expansion of case management services to transitioning clients is one of eighty-seven separate major action steps that the Department, along with CDHS and CDPHE, have identified as necessary to fully implement the RCTF recommendations. Full implementation of the RCTF recommendations require a multi-year interdepartmental effort. Time frames and expected resources needed for individual tasks vary, but they all require careful oversight and tracking to ensure that they are completed efficiently and synergistically with other tasks. There is currently a lack of centralized project management for this implementation process. Individual staff members have been assigned tasks, but without a central reference point there is a risk that cohesion may suffer as the project moves forward.

SB 16-178 "Grand Junction Regional Center Campus" directs CDHS, within the parameters of certain guiding principles related to relocating individuals receiving services on the campus to home-like settings of their choosing, to vacate the Grand Junction Regional Center campus no later than July 1, 2018. The publication of the RCTF recommendations and the passage of SB 16-178 signal a period of change in the role of community providers as well as Regional Centers. The Regional Centers, as provided for in the RCTF recommendations, will formalize and improve their safety net and crisis stabilization functions. Therefore it is imperative to have well managed transitions as individuals enter and exit the Regional Centers more rapidly than current process. During this period and beyond, the Department may face difficulties in the absence of a dedicated FTE for ICF coordination. While new ICFs are created and as others close, there is currently no staff to act as the Department's subject matter expert on ICF policy and regulation, or to engage in activities including analysis of new ICF applications and client tracking. Without a dedicated FTE these functions would continue to be absorbed by existing staff on top of their assigned duties, or would not be performed.

The lack of staff related to RCTF recommendation implementation and ICF coordination present a significant obstacle in the Department's efforts to facilitate lasting transitions from ICF and Regional Center settings to the community. Case managers cannot provide case management services to clients living in an ICF. Because of this, clients and guardians who choose to attempt the transition process may find themselves or their loved ones have not been ideally matched with services upon transition. The lack of case management may lead transitioned clients to return to an ICF or Regional Center setting, and may also lead to client and guardian resistance to attempt a transition in the first place. The lack of dedicated RCTF and ICF staff limit the Department's ability to identify and address issues such as this during implementation of the RCTF recommendations and beyond.

Proposed Solution:

The Department requests $922,801 total funds, $224,066 General Fund and 1.8 FTE in FY 2017-18, $450,890 total funds, $225,455 General Fund and 2.0 FTE in FY 2018-19, $464,107 total funds, $232,054 General Fund and 2.0 FTE in FY 2019-20 to expand ICM services to clients who are transitioning out of an ICF or Regional Center waiver setting, and to hire two ongoing FTE: one to oversee Department activities pertaining to ICFs and one to serve as a project manager for the implementation of the RCTF recommendations.

If this request is approved, transitioning clients would have access to case management services for up to a one year transition phase and case managers would be allowed to be reimbursed for services rendered to clients in ICF or Regional Center waiver settings during this time period, regardless of whether the transition

is successful. The Department would not impose a predefined limitation on the number of service hours available under the ICM benefit. This would allow case managers to provide services to clients who may be less likely to transition than others, which would reduce one of the barriers to transition for all ICF and Regional Center clients equally, not just the most likely to transition.

A State Plan Amendment (SPA) would be required to allow for the expanded ICM services and allow for this service to be offered to clients residing in an ICF setting. The SPA would require approval from the Centers for Medicare and Medicaid Services (CMS). Also, in order to offer the proposed case management services the Department would need to modify the Colorado Code of Regulations (CCR) to allow for case management to be offered pre-transition to transitioning clients. The Department expects these processes to take three months, contingent on CMS' responsiveness.

Clients would be directly impacted through greater support from case managers both before and after a transition takes place. Case managers would have more time to vet provider options pre-transition, increasing the prevalence of client choice in providers during the transition process. The provider would also have more time to prepare for the unique needs of the client whom they would be serving. Clients and providers would have more time to identify common interests, which would help them to build a successful professional relationship prior to the client's transition. Ultimately the client would experience a more seamless transition from ICF and Regional Center providers to community providers in a way that better meets the client's needs in regards to provider choice and service package.

The Department anticipates that these outcomes would make clients feel more comfortable and successful in their new community setting. This would reduce the number of readmissions for transitioned clients and demonstrate the possibility of successful transitions to clients and guardians who may be interested in the idea of a community transition but had previously refused due to concerns over provider coordination.

The Department would evaluate the efficacy of case management expansion using a number of different qualitative and quantitative measures. The Department would reference data from the Department of Human Services C-Stat report regarding the number of Regional Center transitions and the number of pending transitions.[3] The Department would compare eligibility data and claims data to the number of transitions to determine the impact of service expansion. Quality of life surveys carried out by case managers would be considered to determine the impact of the program on client wellbeing.

To address the gap in centralized ICF knowledge that currently exists in the Department, the Department requests funding for an ICF coordinator. The ICF coordinator would serve as the Departments subject matter expert for ICF policy, process new ICF applications, and track ICF client and staff activities for accuracy and efficacy. This FTE would serve as a reference point for all projects impacting ICFs, and as such the ICF coordinator would likely play a role in both the implementation of expanded ICM as well as RCTF recommendation implementation. The FTE would also serve as an external liaison for ICF operations related to the Department, and may perform or assign various ad-hoc projects as needed.

[3] https://sites.google.com/a/state.co.us/performance-management/what-is-c-stat

To successfully implement the RCTF recommendations the Department requests funding for a RCTF recommendation project manager. This FTE would communicate with the various staff and stakeholders involved in implementing the tasks required for the RCTF recommendations to be actualized. This FTE would become familiar with the long term goals of the recommendations, develop a long-term implementation plan in line with current efforts, assign tasks to staff, track task implementation progress, and assist staff in addressing any obstacles when they arise. Consolidating the responsibility of overseeing the implementation of the recommendations under one FTE would expedite implementation by improving staff coordination across agencies and improve outcomes through closer monitoring. Additionally, the administrative burden of task tracking and coordination currently on all staff currently working on the recommendations would be reduced, allowing for them to spend more time on their other assigned duties.

Anticipated Outcomes:

By adding additional case management services for clients transitioning out of ICFs and Regional Center waivers the Department anticipates that case managers would have more time to assess, refer, and monitor clients during their transition period while coordinating with providers and arranging an optimal community settings for the clients unique needs. This community setting would be immediately available to the client upon transition to avoid gaps in service. The addition of this service is anticipated to incentivize more clients and their guardians to consider a transition and as such is expected to increase the volume of transitions from ICFs and Regional Center waivers to the community. Furthermore, with more time spent on specifying the optimal community setting for each client, client and guardian satisfaction with the client's post transition setting is expected to increase as measured by a quality of life survey.

By hiring staff dedicated to ICF oversight the Department expects to be able to complete projects involving ICFs and solve problems that arise surrounding ICFs faster and more effectively. The Department would also be able to begin more detailed tracking of client movements within the ICF and Regional Center communities, their service packages and costs, and staff activities and costs to identify potential areas of improvement. The coordinator would address the current ICF knowledge stratification that exists within the Department by acting as the sole ICF reference point, while simultaneously freeing up existing staff to focus on their other assigned duties.

By hiring staff focused on implementation of the RCTF recommendations the Department expects to identify and avoid potential roadblocks to implementation early enough to avoid them or minimize their impact. The Department expects that staff involved in implementation would experience an environment of enhanced coordination and support. The Department anticipates that in the presence of a project manager the RCTF recommendations would be implemented faster, in greater alliance with the intent of the recommendations, and in the most effective way to ensure positive client experience in the changing Regional Center environment.

Assumptions and Calculations:

The Department assumes that clients on the HCBS-DD waiver receiving services from Regional Centers and ICF clients transitioning to the community would most likely transition to the HCBS-DD waiver due to their intensive needs. Because CCT is a program offered specifically to clients transitioning out of institutional settings such as ICFs, the Department expects clients utilizing this proposed case management expansion

would utilize the service at a similar rate as CCT clients transitioning to the HCBS-DD waiver. The Department also assumes that the same rate would be used as the current rate for ICM.

ICM services are reimbursed at a greater rate than TCM services. The Department would pay for ICM services at the current ICM rate under the CCT program. The ICM benefit would be used, in line with RCTF recommendation 1, to support case managers who serve ICF and Regional Center waiver clients who often have above average acuity and more intensive needs. The Department would have the ability to approve services above the current 240 unit case management cap to ensure that services are rendered as needed during the transition. Previous experience with CCT clients has shown that clients have used 404 ICM units per-year on average during their transitions, significantly more than the 240 unit cap that currently exists for TCM. Given the goal of facilitating successful community transitions, the Department believes that using the current ICM rate, with the ability to surpass the current TCM unit cap, is the best solution to support case managers while they provide as much case management as is necessary to achieve an optimal client outcome.

The Department assumes that ICM would replace TCM services that clients on the HCBS-DD waiver are eligible for, during the transition period as multiple case management services would be redundant. This creates a small offset to costs for clients transferring from the Regional Center waiver, as well as for ICF clients after they enter the community. This cost offset is due to clients using less TCM as they substitute ICM for TCM. The Department estimates that a transitioning ICF client would spend, on average, three months of the transition living in the ICF, based on previous transitions data. The Department assumes that all clients utilizing ICM would use the service for a year based on the historic utilization of CCT clients transitioning to the HCBS-DD waiver. Clients transitioning out of an ICF setting would then have, on average, nine months in a community setting in which they are still eligible for ICM. Clients would not utilize TCM during these months, indicating nine months of TCM cost avoidance for these clients on average.

The Department assumes that adding ICM services would incentivize a certain number of clients to transition as clients and guardians become aware that a barrier to transition has been addressed. The Department also assumes that beds made free as a result of clients transitioning to the community would be filled by clients currently waiting to enter ICFs or the Regional Center waiver based on CDHS feedback regarding clients waiting to enter the Regional Centers. Because transitions would be offset by admissions, the Department expects that any savings that would result from increased transitions from ICFs to the community would be offset by the costs of additional clients entering the facility.

The Department assumes that systems changes would be necessary to implement the case management expansion portion of this request. The Department has received a scope of work statement and cost estimate for these updates from its fiscal agent. These changes would include modifications to the Department's VITAL system ensure that needed eligibility data is recorded and synced with the InterChange system, create and establish business rules for Benefit Plans and claims processing, assign clients to the appropriate benefit plans, create a benefit plan hierarchy, ensure provider types exist to accommodate the provider services, create and establish reporting processes, and ensure that prior authorization functionality would accommodate new processes required for new benefit plans.

The Department expects to be able to begin offering case management to transitioning clients on October 1, 2017. This implementation date was selected to give the Department adequate time to complete the necessary systems changes, rule changes, and State Plan Amendment.

The Department assumes that both the RCTF Project Manager and the ICF Coordinator FTE would be hired at the Administrator IV level with a targeted start date of July 1, 2017, and would be ongoing.

Table 1.1 - Request Components by Line Item FY 2017-18

Row	Item	Total Funds	FTE	General Fund	Federal Funds	Federal Match Rate	Source
A	Total Request	$922,801	1.8	$224,066	$698,735		Sum of Row B through Row I
B	(1) Executive Director's Office; (A) General Administration, Health, Life, and Dental	$15,854	0.0	$7,927	$7,927	50.00%	Table 3.1
C	(1) Executive Director's Office; (A) General Administration, Short-term Disability	$234	0.0	$117	$117	50.00%	Table 3.1
D	(1) Executive Director's Office; (A) General Administration, S.B. 04-257 Amortization Equalization Disbursement	$6,144	0.0	$3,072	$3,072	50.00%	Table 3.1
E	(1) Executive Director's Office; (A) General Administration, S.B. 06-235 Supplemental Amortization Equalization Disbursement	$6,144	0.0	$3,072	$3,072	50.00%	Table 3.1
F	(1) Executive Director's Office; (C) Medicaid Management Information System Maintenance and Projects	$593,300	0.0	$59,330	$533,970	90.00%	Table 4.1 Row F
G	(4) Office of Community Living; (A) Division of Intellectual and Developmental Disabilities; Personal Services	$137,128	1.8	$68,564	$68,564	50.00%	Table 3.1
H	(4) Office of Community Living; (A) Division of Intellectual and Developmental Disabilities; Operating Expenses	$11,148	0.0	$5,574	$5,574	50.00%	Table 3.1
I	(4) Office of Community Living; (A) Division of Intellectual and Developmental Disabilities; Case Management	$152,849	0.0	$76,410	$76,439	50.01%	Table 2.1 Row E

Table 1.2 - Request Components by Line Item FY 2018-19

Row	Item	Total Funds	FTE	General Fund	Federal Funds	Federal Match Rate	Source
A	Total Request	$450,890	2.0	$225,445	$225,445		Sum of Row B through Row H
B	(1) Executive Director's Office; (A) General Administration, Health, Life, and Dental	$15,854	0.0	$7,927	$7,927	50.00%	Table 3.1
C	(1) Executive Director's Office; (A) General Administration, Short-term Disability	$254	0.0	$127	$127	50.00%	Table 3.1
D	(1) Executive Director's Office; (A) General Administration, S.B. 04-257 Amortization Equalization Disbursement	$6,702	0.0	$3,351	$3,351	50.00%	Table 3.1
E	(1) Executive Director's Office; (A) General Administration, S.B. 06-235 Supplemental Amortization Equalization Disbursement	$6,702	0.0	$3,351	$3,351	50.00%	Table 3.1
F	(4) Office of Community Living; (A) Division of Intellectual and Developmental Disabilities; Personal Services	$149,590	2.0	$74,795	$74,795	50.00%	Table 3.1
G	(4) Office of Community Living; (A) Division of Intellectual and Developmental Disabilities; Operating Expenses	$1,900	0.0	$950	$950	50.00%	Table 3.1
H	(4) Office of Community Living; (A) Division of Intellectual and Developmental Disabilities; Case Management	$269,888	0.0	$134,944	$134,944	50.00%	Table 2.1 Row E

Table 1.3 - Request Components by Line Item FY 2019-20

Row	Item	Total Funds	FTE	General Fund	Federal Funds	Federal Match Rate	Source
A	Total Request	$464,107	2.0	$232,054	$232,053		Sum of Row B through Row H
B	(1) Executive Director's Office; (A) General Administration, Health, Life, and Dental	$15,854	0.0	$7,927	$7,927	50.00%	Table 3.1
C	(1) Executive Director's Office; (A) General Administration, Short-term Disability	$254	0.0	$127	$127	50.00%	Table 3.1
D	(1) Executive Director's Office; (A) General Administration, S.B. 04-257 Amortization Equalization Disbursement	$6,702	0.0	$3,351	$3,351	50.00%	Table 3.1
E	(1) Executive Director's Office; (A) General Administration, S.B. 06-235 Supplemental Amortization Equalization Disbursement	$6,702	0.0	$3,351	$3,351	50.00%	Table 3.1
F	(4) Office of Community Living; (A) Division of Intellectual and Developmental Disabilities; Personal Services	$149,590	2.0	$74,795	$74,795	50.00%	Table 3.1
G	(4) Office of Community Living; (A) Division of Intellectual and Developmental Disabilities; Operating Expenses	$1,900	0.0	$950	$950	50.00%	Table 3.1
H	(4) Office of Community Living; (A) Division of Intellectual and Developmental Disabilities; Case Management	$283,105	0.0	$141,553	$141,552	50.00%	Table 2.1 Row E

Table 2.1 - Total Cost of Expanding Intensive Case Management to Clients Transitioning from Regional Centers and Private Intermediate Care Facilities

Row	Item	FY 2017-18	FY 2018-19	FY 2019-20	Notes
A	Expected Number of Intermediate Care Facility (ICF) and Regional Center (RC) Waiver Clients Transitioning to the Community	31	42	44	Table 2.2 Row J
B	Projected Cost Per-Client of Expanded Intensive Case Management Services	$6,393.96	$8,525.28	$8,525.28	Table 2.3 Row F
C	Gross Expected Cost of Intensive Case Management Expansion	$198,213	$358,062	$375,112	Row A * Row B
D	Expected Cost Avoidance from Targeted Case Management (TCM) Reduction	($45,364)	($88,174)	($92,007)	Table 2.5 Row K
E	**Net Expected Cost of Intensive Case Management Expansion**	**$152,849**	**$269,888**	**$283,105**	**Row C + Row D**

Table 2.2 - Expected Caseload Utilizing Expanded Case Management by Current Residence					
Row	**Item**	**FY 2017-18**	**FY 2018-19**	**FY 2019-20**	**Notes**
A	Expected Transitions from Intermediate Care Facility (ICF) Settings	36	36	36	Based on historic transitions per-year.
B	Expected Fraction of ICF Transitions Eligible for Case Management Expansion	90.00%	90.00%	90.00%	Historic fraction of ICF transition clients who would have been eligible for expanded Intensive Case Management.(1)
C	Expected Transitions from ICF who would be Eligible for Case Management Expansion	24	32	32	Row A * Row B, Adjusted for October 1, 2017 start date.
D	Expected Colorado Choice Transitions (CCT) Clients from ICFs	2	2	0	On average, two client per-year who transitioned from an ICF setting have used CCT. The CCT program expires on December 31, 2018. Adjusted for October 1, 2017 start date.
F	**Expected Transitions from an ICF Setting Using Expanded Intensive Case Management**	**22**	**30**	**32**	**Row C - Row D**
G	Expected Transitions from Regional Center (RC) Waiver Setting	18	18	18	Based on historic transitions per-year.
H	Expected Fraction of RC Waiver Transitions Eligible for Case Management Expansion	68.75%	68.75%	68.75%	Historic fraction of RC waiver transition clients who would have been eligible for expanded Intensive Case Management.(1)
I	**Expected Transitions From Regional Center Waiver Eligible for Expanded Intensive Case Management**	**9**	**12**	**12**	Row G * Row H, Adjusted for October 1, 2017 start date.
J	**Expected Total Transitions Qualifying for Expanded Intensive Case Management**	**31**	**42**	**44**	**Row F + Row I**

(1) Examples of transitions that would not qualify for case management include transitions to the client's family home, skilled nursing facilities, mental health institutes, jail, or transitions from RC waiver to an ICF.

Table 2.3 - Cost Per-Client of Expanding Case Management Services to Transitioning Clients					
Row	**Item**	**FY 2017-18**	**FY 2018-19**	**FY 2019-20**	**Notes**
A	Average ICM Units Utilized Per-Year by Colorado Choice Transitions (CCT) Clients Transitioning to HCBS-DD Waiver	404	404	404	Actuals
B	Average ICM Units Utilized Per-Month by CCT Clients Transitioning to HCBS-DD Waiver	33.67	33.67	33.67	Row A / 12
C	Cost Per-Unit	$21.10	$21.10	$21.10	FY 2015-16 rate
D	Average Cost Per-Client Per-Month	$710.44	$710.44	$710.44	Row B * Row C
E	Expected Average Months of Expanded Intensive Case Management Utilization Per-Client	9	12	12	Average ICM utilization length for CCT clients transitioning to the HCBS-DD waiver. Adjusted for October 1, 2017 Start Date
F	**Average Expanded Intensive Case Management Cost Per-Client Per Year**	**$6,393.96**	**$8,525.28**	**$8,525.28**	**Row D * Row E**

Table 2.4 - Cost Avoidance Per-Client for Clients Substituting Expanded Case Management for Targeted Case Management (TCM)					
Row	**Item**	**FY 2017-18**	**FY 2018-19**	**FY 2019-20**	**Notes**
A	TCM Units Used by Regional Center (RC) Waiver Clients Per-Year	161	161	161	Historic utilization per-year for RC waiver clients.
B	TCM Units Used by RC Waiver Clients Per-Month	13.42	13.42	13.42	Row A / 12
C	TCM Cost Per-Unit	$15.87	$15.87	$15.87	TCM rate in FY 2015-16
D	**Expected TCM Cost Avoidance Per-Month Per-Client**	**($212.98)**	**($212.98)**	**($212.98)**	**Row B * Row C**

Table 2.5 - Estimated Cost Avoidance from Substituting Expanded Intensive Case Management for Targeted Case Management (TCM) During Regional Center Waiver Client					
Row	**Item**	**FY 2017-18**	**FY 2018-19**	**FY 2019-20**	**Notes**
A	Average TCM Cost Avoidance Per-Client Per-Month	($212.98)	($212.98)	($212.98)	Table 2.4 Row D
B	Expected Average Months of Expanded Intensive Case Management Utilization	9	12	12	Table 2.3 Row E
C	Estimated Cost Avoidance Per-Client for Clients Transitioning from Regional Center (RC) Waiver	($1,916.82)	($2,555.76)	($2,555.76)	Row A * Row B
D	Estimated Number of RC Waiver Clients Transitioning to the Community	9	12	12	Table 2.2 Row I
E	**TCM Cost Avoidance From Clients Transitioning from RC Waiver Substituting Expanded Intensive Case Management for TCM**	**($17,251)**	**($30,669)**	**($30,669)**	**Row C * Row D**
F	Expected Average Months of Intermediate Care Facility (ICF) Transition Where Client is Receiving ICF Services	3	3	3	Department estimate based on previous transitions. See narrative for further detail.
G	Expected Average Months of ICF Transition Where Client is Receiving Waiver Services	6	9	9	Row B - Row F
H	Estimated Cost Avoidance/Client for Clients Transitioning from an ICF	($1,277.88)	($1,916.82)	($1,916.82)	Row A * Row G
I	Estimated Number of ICF Clients Transitioning to the Community	22	30	32	Table 2.2 Row F
J	**TCM Cost Avoidance from Clients Transitioning from ICF Substituting Expanded Intensive Case Management for TCM**	**($28,113)**	**($57,505)**	**($61,338)**	**Row H * Row I**
K	**Total TCM Cost Avoidance**	**($45,364)**	**($88,174)**	**($92,007)**	**Row E + Row J**

Table 3.1 FTE Costs						
Expenditure Detail			FY 2017-18 (Request Year)		FY 2018-19 (Out-year)	
Personal Services:						
Classification Title	Monthly	FTE		FTE		
Administrator IV	$5,585	0.92	$61,437	1.0	$67,020	
PERA			$6,236		$6,803	
AED			$3,072		$3,351	
SAED			$3,072		$3,351	
Medicare			$891		$972	
STD			$117		$127	
Health-Life-Dental			$7,927		$7,927	
Subtotal Position 1, 1.0 FTE		**0.9**	**$82,752**	**1.0**	**$89,551**	
Classification Title	Monthly	FTE		FTE		
Administrator IV	$5,585	0.92	$61,437	1.0	$67,020	
PERA			$6,236		$6,803	
AED			$3,072		$3,351	
SAED			$3,072		$3,351	
Medicare			$891		$972	
STD			$117		$127	
Health-Life-Dental			$7,927		$7,927	
Subtotal Position 2, 1.0 FTE		**0.9**	**$82,752**	**1.0**	**$89,551**	
Subtotal Personal Services		1.8	**$165,504**	2.0	**$179,102**	
Operating Expenses:						
		FTE		FTE		
Regular FTE Operating	$500	1.8	$917	2.0	$1,000	
Telephone Expenses	$450	1.8	$825	2.0	$900	
PC, One-Time	$1,230	2.0	$2,460			
Office Furniture, One-Time	$3,473	2.0	$6,946			
Other						
Other						
Other						
Other						
Subtotal Operating Expenses			**$11,148**		**$1,900**	
TOTAL REQUEST		1.8	**$176,652**	2.0	**$181,002**	
	General Fund:		*$88,326*		*$90,501*	
	Cash funds:					
	Reappropriated Funds:					
	Federal Funds:		*$88,326*		*$90,501*	

Table 4.1 FY 2017-18 Cost to Update Vital and InterChange Systems to Allow for Case Management Expansion					
Row	**Item**	**Hours**	**Hourly Rate**	**Total Cost**	**Notes**
A	Project Manager	250	$150.29	$37,573	Based on Hewlett Packard Estimate
B	Business Analyst	250	$124.76	$31,190	Based on Hewlett Packard Estimate
C	Customization	2,850	$135.34	$385,719	Based on Hewlett Packard Estimate
D	Technical Writer	40	$76.90	$3,076	Based on Hewlett Packard Estimate
E	Testing and Validation	1,402	$96.82	$135,742	Based on Hewlett Packard Estimate
F	Total	4,792		$593,300	Sum of Row A through E